

ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

December 9, 2013

Dear Medicaid Director:

According to previous estimates from the Centers for Medicare and Medicaid Services (CMS), implementation of the Patient Protection and Affordable Care Act (PPACA) would contribute to the largest expansion of the Medicaid program in history – with nearly 26 million Americans joining the program if fully implemented.<sup>1</sup> That number is staggering in light of the over 72 million Americans enrolled in the program in 2012.<sup>2</sup> Given PPACA's significant impact on the Medicaid program's projected growth, we write to gather the most updated information on your state's current ability to serve existing Medicaid eligibles prior to a potential January 1, 2014, expansion. We believe a review of this information will be vital as you prepare your state's fiscal year 2015 Medicaid budgets, regardless of whether your state is implementing the Medicaid expansion, is still considering an expansion, or has decided against an expansion.

While billions are spent on the program's antiquated structure each year, Medicaid still struggles to deliver health care to thousands of Americans. A 2011 analysis found that on average, only 70 percent of physicians accept new Medicaid patients, and in some states, that number is as low as 40 percent.<sup>3</sup> Additional studies have shown that Medicaid beneficiaries also face more difficulties than those with private insurance when scheduling adequate and timely follow-up care after initial treatment for an illness. Waiting for physicians is just one of the many hurdles Medicaid enrollees face today.

Furthermore, according to 2011 data from the Center on Disability at the Public Health Institute, nearly all states had a waiting list for certain Home and Community Based Services (HCBS).<sup>4</sup> Similar data from the Kaiser Family Foundation notes that of those waiting for services, more than 35,000 were children, more than 150,000 were aged individuals or had

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<sup>1</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2011 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2011.pdf> [Note: number reflects the number of Americans that ever enrolled during the year]

<sup>2</sup> MACPAC. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population, 2012. March 2013 Report, page 75. Available online at <http://www.macpac.gov/reports>

<sup>3</sup> Decker, Sandra L. "In 2011 Nearly One-Third of Physicians Said They Would Not Accept New Medicaid Patients, But Rising Fees May Help,"

<sup>4</sup> Center on Disability at the Public Health Institute. "Number of Persons on Medicaid 1915(c) HCBS Waiver Lists, 2011. Available online at [http://www.centerondisability.org/community\\_living\\_indicators/indicator9.php](http://www.centerondisability.org/community_living_indicators/indicator9.php)



Furthermore, according to 2011 data from the Center on Disability at the Public Health Institute, nearly all states had a waiting list for certain Home and Community Based Services (HCBS).<sup>4</sup> Similar data from the Kaiser Family Foundation notes that of those waiting for services, more than 35,000 were children, more than 150,000 were aged individuals or had physical disabilities, and nearly 320,000 had intellectual or developmental disabilities.<sup>5</sup> We recognize that waiting lists such as those for HCBS are a reality for states already struggling to maintain their current Medicaid programs. It is therefore important to note that as states face \$2.5 trillion in Medicaid costs over the next 10 years, those lists will most likely continue to grow.<sup>6</sup>

As scarce resources become even further divided, the most vulnerable Americans could face a significant delay in accessing key services and treatments. PPACA's expansion of an already overburdened program raises serious questions for access to care for those already enrolled and eligible for the program today. As such, we request you provide the Committee with the most updated estimates for the following program aspects:

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients?
2. What waiting lists does your state currently maintain under the Medicaid program as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)?
3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?
4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.
5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.
6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level-of-care provided in HCBS waivers and could therefore be added to your state's waiting lists?
7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

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<sup>4</sup> Center on Disability at the Public Health Institute. "Number of Persons on Medicaid 1915(c) HCBS Waiver Lists, 2011. Available online at [http://www.centerondisability.org/community\\_living\\_indicators/indicator9.php](http://www.centerondisability.org/community_living_indicators/indicator9.php)

<sup>5</sup> Kaiser Family Foundation. "Waiting Lists for Medicaid Section 1915(c) Home and Community-Based Service (HCBS) Waivers." 2011. Available online at <http://kff.org/medicaid/state-indicator/waiting-lists-for-hcbs-waivers-2010/#>

<sup>6</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2012 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2012.pdf>



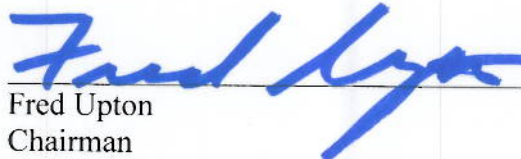
While the substantial federal match for newly eligible populations may entice many states into a dramatic expansion of the program in 2014, we remain concerned that the Medicaid program's existing financial troubles will be exacerbated by the program's growth as a result of the PPACA. At a state level, Medicaid already competes with other state priorities. Expanding the program based on an expectation that the enhanced federal match will alleviate existing financial burdens is misleading to both taxpayers and the millions of Medicaid enrollees who depend on the program today.

As you know, federal funds received for those deemed newly eligible must only be applied to the costs of that specific population. These funds cannot be transferred to cover existing funding shortfalls or medical costs associated with previously eligible or previously eligible, but non-enrolled, recipients. In fact, every state dollar used to cover the costs of a newly eligible enrollee is a dollar that could have been applied to help reduce waiting lists for Medicaid eligible individuals, or improve care for those who already depend on your state's program today.

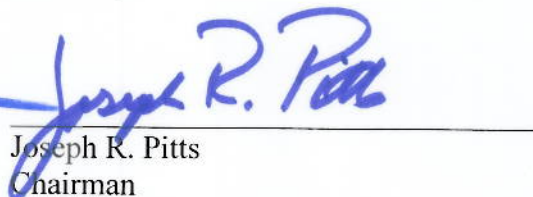
Finally, in an effort to ensure that every Medicaid dollar is applied correctly, this Committee will continue to review your state's eligibility determinations, actual spending, and enrollment levels. We believe you share our interest in ensuring that the Medicaid program provides the highest standard of care to the nation's most vulnerable populations. As such, we look forward to receiving your responses and together considering the impact that an overexpansion of the program could have on millions of Americans who already depend on Medicaid today.

Please submit responses to the above data requests by no later than December 31, 2013. Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact my staff, Monica Popp or Clay Alspach, with the Committee Staff at (202) 225-2927.

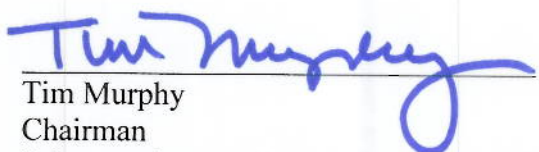
Sincerely,



Fred Upton  
Chairman



Joseph R. Pitts  
Chairman  
Subcommittee on Health



Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone Jr., Ranking Member  
Subcommittee on Health

National Association of Medicaid Directors